OCI No. 2389/63

CENTRAL INTELLIGENCE AGENCY Office of Current Intelligence 23 July 1963

CURRENT INTELLIGENCE MEMORANDUM

SUBJECT: Trends in the Political Orientation of Brazil

- 1. President Goulart, who is essentially an opportunist of populist and leftist inclinations, is showing signs that he may be correcting course temporarily in the direction of the center left.
- The orientation of the cabinet Goulart initially proposed in mid-June was later modified in a centrist direction by naming a moderate socialist as minister of agriculture, rather than the extreme leftist he first chose. Goulart has also succeeded in persuading conservative Carvalho Pinto to serve as the finance minister.
- This trend will be strengthened if the war minister makes certain shifts in the army commanders which will bring forward additional anti-Communists.

The retirement

of extreme leftist First Army Commander Osvino Alves has placated Goulart's opposition,

There are also some indications that the most extreme leftist in the present cabinet, Foreign Minister Evandro Lins e Silva, may resign if he can secure appointment to the Supreme Court, in which there is a vacancy as a result of the death last week of a pro-US justice. This would not do much to diminish his influence, however, since Brazilian judges are appointed for life, and the 11-man Supreme Court already includes 3 justices with extreme leftist connections of relatively recent date.

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5. On balance, Brazil's foreign policy in Goulart's hands is likely in any case to continue to evolve away from support for the United States and drive for "Big Power" status. Occasional open hostility toward the US can be expected.